

# Exhibits

Affidavit of Edward Holt

Affidavit of Jerri Kemble

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**AFFIDAVIT OF EDWARD HOLT**

**STATE OF KANSAS            )**

**) ss.**

**COUNTY OF DOUGLAS    )**

I, Edward Holt, being duly sworn state as follows upon my oath:


1.     I am over 18 years of age and under no mental disability or duress.
2.     I am the Executive Manager of eRate Solutions, L.L.C., which was founded in 2000 to assist schools and libraries with their applications for E-rate funding, among other services.
3.     I was contracted by the Lawrence Unified School District (Lawrence USD) to assist with the filing of its E-rate applications for funding years 2007 through 2014. During that time, I was responsible for filing FCC Forms 470, 471, 486 and 472. As part of the filing process, I also constructed bid evaluations, collected billing statements and maintained the necessary documentation.
4.     During the vendor selection for the contract awarded by the Lawrence USD to Knology on March 15, 2011, I constructed the preliminary bid evaluation and recommendation of vendor before delivering it for review to Chantel Nicolay, Division Director of Technology and Library Services for the Lawrence USD. Knology was the only vendor to submit a bid during the bidding cycle, so I recommended Knology as the winning bidder.
5.     The Lawrence USD decided to purchase an additional 200 mbps connection for the 2013 academic year. During the vendor selection for this service, both Knology and KanRen submitted bids. Again, I conducted the preliminary bid evaluation and recommendation of vendor before delivering it for review to Ms. Nicolay. I used price as the primary factor in the

evaluation process and Knology submitted the lowest bid; this was the basis for my recommendation for Knology's selection as the winning bidder.

6. I have not, at any time, received gifts from Knology or any of its successor companies.

7. The above and foregoing facts are true according to my best knowledge thereof.


**FURTHER AFFIANT SAYETH NOT.**

  
Edward Holt


**VERIFICATION**

STATE OF KANSAS       )  
                                      ) SS  
COUNTY OF DOUGLAS   )

COMES NOW, Edward Holt, and being first duly sworn upon my oath, state that I have read the foregoing Affidavit, and that the facts contained therein are true and correct to the best of my knowledge, information and belief, and that I sign the same as my free act and deed.

  
Edward Holt

On this 13<sup>th</sup> day of December, 2016, before me, a Notary Public in and for said state, personally appeared Edward Holt, known to me to be the person who executed the within Affidavit, and acknowledged to me that he executed the same for the purposes therein stated and that he executed the same as his free act and deed.

  
Notary Public

My Commission Expires: 6-14-20



**AFFIDAVIT OF JERRI KEMBLE**

**STATE OF KANSAS            )**

**) ss.**

**COUNTY OF DOUGLAS    )**

I, Jerri Kemble, being duly sworn state as follows upon my oath:

1.       I am over 18 years of age and under no mental disability or duress.

2.       My full name is Jerri Jane Kemble.

3.       I am presently employed as the Assistant Superintendent, Innovation and Technology, for the Lawrence Unified School District #497, located in Lawrence, Kansas (the "District").

4.       Because the District endeavors to comply with every E-rate requirement, the District has engaged professional E-rate Program consultants to assist in the funding application process, and continues to engage E-rate Program consultants to ensure compliance with all E-rate Program rules and policies.

5.       The Funding Year 2011-2012 Form 470 elicited only one bid. The bid came from Knology of Kansas, Inc. (Knology), which is now known as WOW, Inc. As this was the only bid that the District received, the District entered into a contract with Knology for the services. Then, the District submitted its application for approval to USAC, and the funding was received.

6.       In 2013, the District desired to add more bandwidth than was presently being used under contract with Knology of Kansas, Inc. The Funding Year 2013-2014 Requests for Proposal elicited two bids: one from the current provider, Knology of Kansas, Inc., and one from KanRen.

7. Knology of Kansas, Inc.'s bid was lower than the proposal set forth by KanRen, and, after consideration of price as the primary factor in the bidding process, the District accepted Knology of Kansas, Inc.'s bid and the contract was awarded to it.

8. In 2014, the District hired Melinda Stanley as the Director of Technology. Ms. Stanley reviewed the District's documentation and alerted me that there may be an issue with the receipt of the complimentary residential accounts.


9. Out of an abundance of caution and a desire to comply with the rules, on April 22, 2014 I instructed Ms. Stanley to modify the District's contract with Knology of Kansas, Inc. and discontinue any use of the "Gold Residential Internet accounts."

10. Although Ms. Stanley began the process as directed by the District, she left her employment with the District on April 30, 2015 prior to amending the contract and discontinuing service. Her supervisors with the District were told she had completed the contract amendment before she left her employment.

11. In May 2015, the District discovered the contract had not been amended, and I immediately took the necessary steps to discontinue any use of the Internet accounts and to modify the District's contract with Knology of Kansas, Inc.'s successor, WOW, Inc.

12. The above and foregoing facts are true according to my best knowledge thereof.

**FURTHER AFFIANT SAYETH NOT.**

  
\_\_\_\_\_  
Jerri Kemble

**VERIFICATION**

STATE OF KANSAS            )  
                                      ) SS  
COUNTY OF DOUGLAS    )

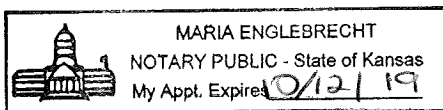
COMES NOW, Jerri Kemble, and being first duly sworn upon my oath, state that I have read the foregoing Affidavit, and that the facts contained therein are true and correct to the best of my knowledge, information and belief, and that I sign the same as my free act and deed.

  
\_\_\_\_\_  
Jerri Kemble

On this 14<sup>th</sup> day of December, 2016, before me, a Notary Public in and for said state, personally appeared Jerri Kemble, known to me to be the person who executed the within Affidavit, and acknowledged to me that she executed the same for the purposes therein stated and that she executed the same as her free act and deed.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:



## **Exhibit A**

### **Application Summary**

<b>Funding Year</b>	<b>Form 471 Number</b>	<b>Funding Request Number</b>	<b>Dollars Requested (Recovery amounts in italics)</b>
2011 – 2012	775595	2175780	<i>\$127,375.48</i>
		2175790	<i>\$16,965.68</i>
2011 – 2012	814366	2212982	<i>\$11,059.79</i>
2012 – 2013	828451	2338975	<i>\$135,420.00</i>
		2338984	<i>\$17,707.49</i>
		2339017	<i>\$11,255.41</i>
2013 – 2014	922269	2516598	<i>\$18,144.00</i>
2013 – 2014	909793	2516093	<i>\$139,860.00</i>
		2516096	<i>\$18,282.21</i>
		2516104	<i>\$11,489.04</i>
2014 – 2015	981465	2675504	<i>\$139,080.00</i>
2014 – 2015	958060	2657171	<i>\$17,748.07</i>
		2657175	<i>\$11,202.97</i>
2015 – 2016	1018862	2834906	<i>\$167,704.03</i>
		2834971	
		2835015	
		2835044	



## **Exhibit B**

### **District Bid Evaluation**

Lawrence USD 497 FY 2011 Bid Evaluation

Internet

Sunflower/Knology 143008523 \$18,500.00/month

No other bidders

470# 633210000 877682 CAD 3/15/2011  
SSD 07/01/2011

Contract Expiration Date  
6/30/2016

District Phones

Sunflower/Knology 143008523 \$2,494.80/month

No other bidders

Same contract as above

Cell Phones

Sprint 143006742 \$550.08/month

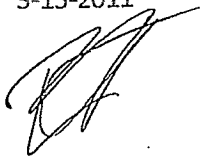
No other bidders

Data Cards

Sprint 143006742 \$110.77/month

No other bidders

Eddie Holt  
3-15-2011



## **Exhibit C**

### **Knology Business Communications Services Agreement**

# KNOLOGY

## KNOLOGY BUSINESS COMMUNICATIONS SERVICES AGREEMENT

### 1. Knology Services

Services Covered: This Business Communications Services Agreement ("Agreement") is made this 15th day of March, 2011, by and between Knology of Kansas and Unified School District No. 497, Douglas County, KS, ("Customer"). This Agreement covers business domestic intrastate, interstate, international telecommunications and data services including any related equipment. Additional Installation Agreements executed from time to time shall become part of this Agreement by reference hereto. This Agreement otherwise may only be amended in writing signed by both parties.

Knology, Inc. agrees to install and/or maintain the following communications services ("Services"):

#### Fiber Services

#### Rate of Service

100 Mbps Internet Access with access at both 110 McDonald and 4700 Overland Dr.  
100 Mbps transport medium for connectivity to Kan Rd  
Gigabit Ethernet Services to USD 497 locations currently connected to fiber ring (attachment A)  
10 Gb Ethernet connecting Free State High School to 110 McDonald Rd  
10 Gb Ethernet connecting Lawrence High School to 110 McDonald Rd  
Up to 15 Free Gold Residential Internet Accounts  
Class C IP addresses

Monthly Fiber Network Charge:

\$18,500.00

#1 \$18,500.00

#### PRI Services

One (1) T1 circuit provisioned with 23 two-way DID trunks  
Installed at 4700 Overland Dr.  
1400 DIDs  
Caller ID

\$803.00

Two (2) T1 circuits provisioned with 46 two-way DID trunks  
Installed at 110 McDonald Dr  
1100 DIDs  
Caller ID

\$1,300.00

10,000 Minute block of Inter/Intra Lata Long Distance

\$207.00

#2 \$2310.00

+ 8% Taxes & Fees  
(184.80)

#### Term and Total Price

a) Monthly Recurring Rate of Services	\$20,810.00
b) Total Installation Fee	\$0.00
c) Term of Agreement	60 months

\$2494.80

Non-recurring charges will be billed on a usage basis, and added to the monthly rate. These rates are exclusive of applicable taxes and fees which are also the responsibility of Customer.

Specific features and pricing on telephone services can be found in the Knology Customer Information Documentation.

The term of this Agreement shall begin on July 1, 2011, and shall continue for the applicable term as referenced in 1c. (the "Initial Term")

Internet access will increase annually by 20 Mb, commencing on the first day of July each year. The Monthly Fiber Network Charge will increase annually by \$500 per month concurrent with the annual bandwidth increase.

Additional locations not covered under this agreement will be added for a reasonable one-time setup charge to be quoted prior to service installation and an additional \$250 per month for each additional location.

This contract will automatically renew for an additional 12 month term unless either party notifies the other in writing of its intent to cancel at least 30 days prior to the end of the then current term. The number of additional terms will not exceed five terms of 12 months each, at which time the contract will continue on a month-to-month basis. At any time after the Initial Term Knology may adjust the Monthly Recurring Rate of Service upon 30 days written notice to Customer. If the Monthly Recurring Rate of Service increases after the Initial Term, Customer may terminate the contract for the Services impacted by the rate increase without incurring a cancellation charge by giving written notice to Knology.

## 2. Payment

- a. Customer agrees to pay Knology for use of the Services at the charges specified above without deduction, setoff or delay for any reason.
- b. **Taxes/Regulatory Surcharges.** Charges as stated above are exclusive of any applicable taxes. Customer is responsible for all taxes, gross receipts taxes, fees and surcharges relating to the sale, transfer of ownership, installation, license, and use or provision of the Services, except to the extent that Knology is provided with a valid tax exemption certificate. Customer is responsible for payment of surcharges, including but not limited to state or federal Universal Service, State and Local Sales Tax and Franchise Fees included on monthly bill.
- c. **Payment.** Customer agrees to pay Knology in accordance with the payment terms on the monthly invoice. If Customer fails to pay any charges when due, including but not limited to installation charges or taxes, and such condition continues unremediated for a period of (30) thirty days, Customer shall be in default and Knology may terminate the service. Termination of Services will be effective upon providing Customer with 10 days written notice. Customer will be responsible for reimbursing Knology for all costs (including reasonable attorney fees) associated with collecting delinquent or dishonored payments. If Knology does not receive payment by the due date, interest may be charged on any unpaid balances at the rate of up to 1 1/4% per month or the maximum rate allowed by law.
- d. **Billing Disputes.** If customer disputes billed charges, customer must notify Knology of the dispute in writing within three (3) months of the date of the affected bill, or else waive the dispute.

## 3. Responsibilities of the Parties

- a. **Knology.** Knology agrees to provide subscribed Services to Customer in accordance with this Agreement.
- b. **Customer.** Customer warrants that use of the Services and content of communications by Customer and those who access or use the Services purchased ("Users") will at all times comply with all applicable laws, regulations and instructions for use.
- c. The Customer is responsible for the compatibility of its equipment, systems or access with the Service. This responsibility applies at the initial installation and on a continuing basis as long as the connection is made.
- d. The Customer must provide the equipment space, supporting structure, conduit and electrical power when required to terminate specially constructed plant at its premises without charge to Knology. The space, structure, conduit and power must be made available in sufficient time to permit the installation of the specially constructed plant prior to its due date.
- e. The Customer is responsible for arranging premises access at any reasonable time so Knology personnel may install, repair, maintain, inspect or remove plant. Premises access must be made available at a time mutually agreeable to Customer and Knology.
- f. The Customer must pay for the loss through theft of any Knology-provided plant installed at a Customer premises. The Customer must pay Knology for replacement or repair of specially constructed plant when damage results from the negligence or willful act of the Customer or others permitted access by the Customer.
- g. The Customer must specify the type of interface that is required to enable the equipment, access or systems to function with the Service. Equipment that Knology provides shall remain the property of Knology at all times, and shall be returned to Knology upon termination of this Agreement.
- h. **Indemnity.** Knology grants Customer the right to permit Users to access and use the Services, provided that Customer shall remain solely responsible for the access and use by any User of the Services. Customer shall defend, indemnify and hold harmless Knology from and against all Damages arising out of third party claims relating to Customer or Users' use of the Service or Content or performance of the Service. Knology shall indemnify, defend and hold harmless Customer against costs and liabilities caused by the installation and maintenance of the services. Any damage to the Customer premises resulting from the negligence of Knology in performing such work will be repaired to the reasonable satisfaction of Customer.

## 4. Default/Termination

- a. If Customer terminates this Agreement prior to the agreed upon expiration date, Customer shall immediately remit to Knology an Agreement Cancellation Charge of the product of the full Monthly Recurring Rate of Services as set out in 1 (a) times the number of months remaining on the Agreement.
- b. If Knology's performance is impaired by a Force Majeure condition (including acts of God, fire, explosion, materially adverse weather condition, public emergency, aerial strike, or war) for a period exceeding sixty (60) days; Customer may cancel the affected Service without liability for the Agreement Cancellation Charge.

- c. If the Customer cancels an order for installation before completion of installation, an Installation Cancellation Charge applies. The cancellation charge will be an amount equal to all non-recoverable costs incurred by Knology for the construction.
- d. Knology may immediately suspend, restrict or terminate Service, in whole or in part and may deny requests for additional Service and may initiate other appropriate action, if it suspects fraud, abuse or misuse by the Customer, Users, or third parties or if it determines that an unusually high volume of calls are being placed on a Customer's account in any 24-hour period. The following are some examples of fraud, abuse and misuse of Service:
  - (i) Activities that harm or threaten to harm the network or Services, facilities or personnel of Knology or Knology suppliers;
  - (ii) Failure to pay for Service within the required timeframes contained in the billing invoice all Knology charges associated with use of the Service; and
  - (iii) Unauthorized resale of Knology Services.

The provisions found in the Contractual Provisions Attachment, which is attached hereto, are hereby incorporated in this contract and made a part hereof.

#### 5. Limitations of Liability

- a. For purposes of all indemnity obligations, exclusive remedies and limitations of liability set forth in this Agreement, Knology shall be defined as Knology, its affiliates, and its and their employees, directors, officers, agents, representatives, subcontractors, interconnection service providers and suppliers; "Customer" shall be defined as Customer, its affiliates, and its and their employees, directors, officers, agents and representatives; and "Damages" will refer collectively to all injury, damage, liability, loss, penalty, interest and expense incurred.
- b. EITHER PARTY'S ENTIRE LIABILITY, AND THE OTHER PARTY'S EXCLUSIVE REMEDIES, FOR ANY DAMAGES CAUSED BY ANY SERVICE DEFECT OR FAILURE, OR FOR OTHER CLAIMS ARISING IN CONNECTION WITH ANY SERVICE OR PERFORMANCE OR NON-PERFORMANCE OF OBLIGATIONS UNDER THIS AGREEMENT SHALL BE:
  - (i) FOR INDEMNITY, THE REMEDIES STATED IN SECTIONS 3h;
  - (ii) FOR ALL OTHER DAMAGES OTHER THAN THOSE SET FORTH ABOVE AND NOT EXCLUDED UNDER THIS AGREEMENT, EACH PARTY'S LIABILITY SHALL BE LIMITED TO PROVEN DIRECT DAMAGES NOT TO EXCEED IN THE AGGREGATE DURING ANY TWELVE (12) MONTH PERIOD AN AMOUNT EQUAL TO THE TOTAL NET PAYMENTS PAYABLE BY CUSTOMER FOR THE AFFECTED SERVICE DURING THE ONE (1) MONTH PRECEDING THE MONTH IN WHICH THE DAMAGE OCCURRED. THIS DOES NOT LIMIT CUSTOMER'S RESPONSIBILITY FOR THE PAYMENT OF ANY AND ALL PROPERLY DUE CHARGES UNDER THIS AGREEMENT.
- c. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, RELIANCE OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS, ADVANTAGE, SAVINGS OR REVENUES OF ANY KIND OR INCREASED COST OF OPERATIONS, WHETHER OR NOT EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- d. THE LIABILITY OF KNOLOGY FOR ANY CREDIT ASSOCIATED WITH THE INSTALLATION, PROVISION, USE, MAINTENANCE, REPAIR, TERMINATION OR RESTORATION OF SERVICE PROVIDED PURSUANT TO THIS AGREEMENT SHALL NOT EXCEED AN AMOUNT EQUAL TO THE PRORATED PORTION OF CHARGES FOR THE AFFECTED SERVICE FOR THE PERIOD DURING WHICH THAT SERVICE WAS AFFECTED.
- e. KNOLOGY SHALL NOT BE LIABLE FOR ANY DAMAGES ARISING OUT OF OR RELATION TO:
  - (i) INTEROPERABILITY, INTERACTION, ACCESS OR INTERCONNECTION PROBLEMS WITH APPLICATIONS, EQUIPMENT, SERVICES, CONTENT OR NETWORKS NOT PROVIDED BY KNOLOGY;
  - (ii) SERVICE INTERRUPTIONS OR LOST OR ALTERED MESSAGES OR TRANSMISSIONS (EXCEPT TO THE EXTENT CREDIT ALLOWANCES ARE SPECIFIED);
  - (iii) UNAUTHORIZED ACCESS OR THEFT; OR
  - (iv) A LOSS OR DESTRUCTION OF CUSTOMER'S, USERS' OR THIRD PARTY'S APPLICATIONS, CONTENT, DATA, PROGRAMS INFORMATION, NETWORK OR SYSTEMS.

#### 6. Credit Allowances for Interruptions

If an interruption or failure of Services is caused solely by Knology and not by Customer or a third party or other causes beyond Knology's reasonable control, Customer may be entitled to a credit allowance ("Credit Allowance").

In order to be eligible for a Credit Allowance for an interruption in Service, the Customer must report the failure to Knology and release the Service for testing and repair. The interruption period begins when the interruption is reported to

Knology and the Service is released for testing and repair and ends when the Service is operative. Only the interrupted portion of the Service will be eligible for a Credit Allowance.

Credit Allowances do not apply for the following:

- Interruptions not reported to Knology
- Interruptions that are due to the failure of utilities, services, equipment or systems not provided by Knology
- Interruptions caused by the Customer, or Users, or third parties
- Interruptions caused by Force Majeure events
- Periods when the Customer elects not to release a Service for testing and/or repair
- Interruptions during any period in which Knology or its agents are not afforded access to the premises
- Interruptions caused by conditions beyond Knology's control
- Interruptions during any period when the Customer or User has released a Service to Knology for scheduled maintenance or rearrangement purposes, or for implementation of a Customer order
- Transmission problems due to a satellite link in Customer-Provided Communications Systems
- Interruptions that continue because of the Customer's failure to authorize replacement of any element of Special Construction. The period, for which credit is not allowed, begins on the seventh day after the Customer receives Knology's written notification of the need for such replacement. It ends on the day after receipt of the Customer's written authorization for such replacement

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day first above written.

CUSTOMER:

By: [Signature]

Print Name: Rich Minder

President

Title: Board of Education

Date: 3-14-2011

KNOLOGY:

By: [Signature]

Print Name: John Fiore

Title: Business Sales Supervisor

Date: 3-15-2011

**Exhibit D**

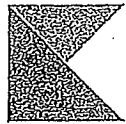
**Knology and KanRen Bids**

**Funding Year 2013**



FY2013 471#922269 FRN 2516598

Lowest Bid (1 of 2 received)



**KNOLOGY<sup>®</sup>**  
**BUSINESS**

1 Riverfront Plaza Suite 301 Lawrence, KS 66044  
Brett Ritter 605.965.9574

**200Mb dedicated fiber internet**

<i>Service:</i>	<i>qty</i>	<i>Rate</i>	<i>Total</i>
<b>Service</b>			
<i>200Mb dedicated fiber internet</i>	1		\$ 2,400/mo
<i>New 12 month term agreement</i>			
<b>Total Montly Cost:</b>			\$ 2,400/mo

\*Taxes and Fees are not included.

\$28,800

FY2013471 #922269

FRN 2516598

Highest Bid (2 of 2 received)



## Final Quotation

Form Version: RFP-01-v01

## 2013 02-2 Lawrence USD 497

Quote Publish Date: 02/08/2013

Quote Date of Expiration: 03/10/2013

Billing Period: 07/01/2013 to 06/30/2014

KanREN: Staff: Cort Buffington

Phone: (785) 856-9820

Email: info@kanren.net

## Account

Lawrence USD 497  
110 McDonald Drive  
Lawrence, KS 66044

## Account Contact

Karl Hague  
(785) 832-5000  
khague@usd497.org

## Service Address

1736 Engel Rd  
Lawrence, KS 66045

## Recommended Products &amp; Services

0 - Installation Fee		
Description	Schedule	Price
Provider Build	One-time	\$2,500.00

3 - Network Use Fee		
Description	Schedule	Price
Network Use Fee \$11.50/Mbps/Month, Requested Mbps: 200	Yearly	\$27,600.00

1 - Membership Fee		
Description	Schedule	Price
Community Anchor	Yearly	\$8,000.00

Total		
All Services		\$38,100.00

Acceptance of this quotation will constitute an official authorization to proceed with ordering equipment and scheduling installation of said equipment

Acceptance Signature \_\_\_\_\_ Date \_\_\_\_\_

## **Exhibit E**

### **FY2014 Bidding Evaluation Matrix**

FY 2014

471 # 9775847

FRN 2657326

## Internet Access Evaluation

Noteworthy: Length of contract with transition in terms of evolving and escalating wireless needs, we need flexibility to adapt our contract and pending E-rate related changes focused on re-prioritizing broadband, we wanted to have flexibility to take advantage of rule changes in the coming years. We also need to strategically align this so we can procure with Fiber contract expiring in 2016.

KanRen is a member organization—consortium focused on the needs of educational entities; business model is significantly different than a commodity based internet service provider. Membership includes...

## Based on 420mb Internet Connection

Criteria	Weight	KanRen	WOW!	Proicient Telecom	AT&T	BurlingPoint
Cost of Eligible Products/Services	50	48 (\$60,400)	40 (\$63,360)	13 (\$84,720 3 yr contract)	15 (\$81,409 3 yr contract)	10 (\$92,571)
Price per MB	15	15 (\$10/MB)	12 (\$12/MB)	5 (\$35.30/MB)	10 (\$16.82/MB)	11 (15.26/MB)
Proactive Network Support	10	10	5	10	5	5
Consortia Membership Benefits	15	15	0	0	0	0
Options for Interim expansion and growth	5	5	3	0	0	0
Local Presence	5	5	3	1	3	1
	100	98	72	29	33	27

## **Exhibit F**

### **Commitment Adjustment Letters FY 2011-2014**



Notification of Commitment Adjustment Letter

Funding Year 2011: July 1, 2011 - June 30, 2012

August 15, 2016

Eddie Holt  
LAWRENCE UNIFIED SCHOOL DISTRICT #497  
PO Box 1426  
Lawrence, KS 66044

Re: Form 471 Application Number:	775595
Funding Year:	2011
Applicant's Form Identifier:	USD497-11a
Billed Entity Number:	137570
FCC Registration Number:	0011759149
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Service Provider Contact Person:	Vickie Tapley

Our routine review of Schools and Libraries Program (SLP) funding commitments has revealed certain applications where funds were committed in violation of SLP rules.

In order to be sure that no funds are used in violation of SLP rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see <https://www.fcc.gov/encyclopedia/red-light-frequently-asked-questions>.

TO APPEAL THIS DECISION:

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRNs) you are appealing. Your letter of appeal must include the
  - Billed Entity Name,
  - Form 471 Application Number,
  - Billed Entity Number, and
  - FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.
4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

We strongly recommend that you use one of the electronic filing options. To submit your appeal to USAC by email, email your appeal to [appeals@sl.universalservice.org](mailto:appeals@sl.universalservice.org) or submit your appeal electronically by using the "Submit a Question" feature on the USAC website. USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to us by fax, fax your appeal to (973) 599-6542.

To submit your appeal to us on paper, send your appeal to:

Letter of Appeal  
Schools and Libraries Program - Correspondence Unit  
30 Lanidex Plaza West  
PO Box 685  
Parsippany, NJ 07054-0685

For more information on submitting an appeal to USAC, see "Appeals" in the "Schools and Libraries" section of the USAC website.

## FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letters" posted at <http://www.usac.org/sl/tools/samples.aspx> for more information on each of the fields in the Report. USAC is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or your service provider(s) submits to USAC are consistent with SLP rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Program  
Universal Services Administrative Company

cc: Vickie Tapley  
Knology of Kansas Inc.



Funding Commitment Adjustment Report for  
Form 471 Application Number: 775595

Funding Request Number:	2175780
Services Ordered:	INTERNET ACCESS
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	1319995
Site Identifier:	137570
Original Funding Commitment:	\$128,760.00
Commitment Adjustment Amount:	\$128,760.00
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$127,375.48
Funds to be Recovered from Applicant:	\$127,375.48
Funding Commitment Adjustment Explanation:	

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

Funding Request Number: 2175790  
Services Ordered: TELCOMM SERVICES  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: C  
Billing Account Number: 2241941  
Site Identifier: 137570  
Original Funding Commitment: \$17,363.81  
Commitment Adjustment Amount: \$17,363.81  
Adjusted Funding Commitment: \$0.00  
Funds Disbursed to Date \$16,965.68  
Funds to be Recovered from Applicant: \$16,965.68  
Funding Commitment Adjustment Explanation:

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.



Notification of Commitment Adjustment Letter

Funding Year 2011: July 1, 2011 - June 30, 2012

August 15, 2016

EDDIE HOLT  
LAWRENCE UNIFIED SCHOOL DISTRICT #497  
PO BOX 1426  
LAWRENCE, KS 66044

Re: Form 471 Application Number:	814366
Funding Year:	2011
Applicant's Form Identifier:	USD497-11ANALOG
Billed Entity Number:	137570
FCC Registration Number:	0011759149
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Service Provider Contact Person:	Vickie Tapley

Our routine review of Schools and Libraries Program (SLP) funding commitments has revealed certain applications where funds were committed in violation of SLP rules.

In order to be sure that no funds are used in violation of SLP rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see <https://www.fcc.gov/encyclopedia/red-light-frequently-asked-questions>.

TO APPEAL THIS DECISION:

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRNs) you are appealing. Your letter of appeal must include the
  - Billed Entity Name,
  - Form 471 Application Number,
  - Billed Entity Number, and
  - FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.
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To submit your appeal to us by fax, fax your appeal to (973) 599-6542.

To submit your appeal to us on paper, send your appeal to:

Letter of Appeal  
Schools and Libraries Program - Correspondence Unit  
30 Lanidex Plaza West  
PO Box 685  
Parsippany, NJ 07054-0685

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## FUNDING COMMITMENT ADJUSTMENT REPORT

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Schools and Libraries Program  
Universal Services Administrative Company

cc: Vickie Tapley  
Knology of Kansas Inc.

Funding Commitment Adjustment Report for  
Form 471 Application Number: 814366

Funding Request Number:	2212982
Services Ordered:	TELCOMM SERVICES
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	2241941
Site Identifier:	137570
Original Funding Commitment:	\$11,578.31
Commitment Adjustment Amount:	\$11,578.31
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$11,059.79
Funds to be Recovered from Applicant:	\$11,059.79
Funding Commitment Adjustment Explanation:	

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.



Notification of Commitment Adjustment Letter

Funding Year 2012: July 1, 2012 - June 30, 2013

August 15, 2016

Eddie Holt  
LAWRENCE UNIFIED SCHOOL DISTRICT #497  
PO Box 1426  
Lawrence, KS 66044

Re: Form 471 Application Number:	828451
Funding Year:	2012
Applicant's Form Identifier:	497-12
Billed Entity Number:	137570
FCC Registration Number:	0011759149
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Service Provider Contact Person:	Vickie Tapley

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In order to be sure that no funds are used in violation of SLP rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

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1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.

2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRNs) you are appealing. Your letter of appeal must include the

- Billed Entity Name,
- Form 471 Application Number,
- Billed Entity Number, and
- FCC Registration Number (FCC RN) from the top of your letter.

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4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.

5. Provide an authorized signature on your letter of appeal.

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Letter of Appeal  
Schools and Libraries Program - Correspondence Unit  
30 Lanidex Plaza West  
PO Box 685  
Parsippany, NJ 07054-0685

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Schools and Libraries Program  
Universal Services Administrative Company

cc: Vickie Tapley  
Knology of Kansas Inc.

Funding Commitment Adjustment Report for  
Form 471 Application Number: 828451

Funding Request Number:	2338975
Services Ordered:	INTERNET ACCESS
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	1319995
Site Identifier:	137570
Original Funding Commitment:	\$135,420.00
Commitment Adjustment Amount:	\$135,420.00
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$135,420.00
Funds to be Recovered from Applicant:	\$135,420.00
Funding Commitment Adjustment Explanation:	

After multiple requests for documentation and application review, it has been determined this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

Funding Request Number:	2339017
Services Ordered:	TELCOMM SERVICES
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	2241941
Site Identifier:	137570
Original Funding Commitment:	\$12,016.95
Commitment Adjustment Amount:	\$12,016.95
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$11,255.41
Funds to be Recovered from Applicant:	\$11,255.41
Funding Commitment Adjustment Explanation:	

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Funding Request Number:	2338984
Services Ordered:	TELCOMM SERVICES
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	2241941, 1319995
Site Identifier:	137570
Original Funding Commitment:	\$18,808.96
Commitment Adjustment Amount:	\$18,808.96
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$17,707.49
Funds to be Recovered from Applicant:	\$17,707.49
Funding Commitment Adjustment Explanation:	

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Notification of Commitment Adjustment Letter

Funding Year 2013: July 1, 2013 - June 30, 2014

August 15, 2016

EDDIE HOLT  
LAWRENCE UNIFIED SCHOOL DISTRICT #497  
PO BOX 1426  
LAWRENCE, KS 66044

Re: Form 471 Application Number:	909793
Funding Year:	2013
Applicant's Form Identifier:	USD497-13
Billed Entity Number:	137570
FCC Registration Number:	0011759149
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Service Provider Contact Person:	Vickie Tapley

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  - Billed Entity Name,
  - Form 471 Application Number,
  - Billed Entity Number, and
  - FCC Registration Number (FCC RN) from the top of your letter.
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Parsippany, NJ 07054-0685

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Schools and Libraries Program  
Universal Services Administrative Company

cc: Vickie Tapley  
Knology of Kansas Inc.

Funding Commitment Adjustment Report for  
Form 471 Application Number: 909793

Funding Request Number:	2516093
Services Ordered:	INTERNET ACCESS
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	1941057
Site Identifier:	137570
Original Funding Commitment:	\$139,860.00
Commitment Adjustment Amount:	\$139,860.00
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$139,860.00
Funds to be Recovered from Applicant:	\$139,860.00
Funding Commitment Adjustment Explanation:	

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.



Funding Request Number:	2516096
Services Ordered:	TELCOMM SERVICES
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	1941057, 1966446
Site Identifier:	137570
Original Funding Commitment:	\$18,357.12
Commitment Adjustment Amount:	\$18,357.12
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$18,282.21
Funds to be Recovered from Applicant:	\$18,282.21
Funding Commitment Adjustment Explanation:	

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Funding Request Number:	2516104
Services Ordered:	TELCOMM SERVICES
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	
Site Identifier:	137570
Original Funding Commitment:	\$11,890.82
Commitment Adjustment Amount:	\$11,890.82
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$11,489.04
Funds to be Recovered from Applicant:	\$11,489.04
Funding Commitment Adjustment Explanation:	

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Notification of Commitment Adjustment Letter

Funding Year 2013: July 1, 2013 - June 30, 2014

August 15, 2016

EDDIE HOLT  
LAWRENCE UNIFIED SCHOOL DISTRICT #497  
PO BOX 1426  
LAWRENCE, KS 66044

Re: Form 471 Application Number:	922269
Funding Year:	2013
Applicant's Form Identifier:	USD497-200
Billed Entity Number:	137570
FCC Registration Number:	0011759149
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Service Provider Contact Person:	Vickie Tapley

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  - Billed Entity Number, and
  - FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.
4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

We strongly recommend that you use one of the electronic filing options. To submit your appeal to USAC by email, email your appeal to [appeals@sl.universalservice.org](mailto:appeals@sl.universalservice.org) or submit your appeal electronically by using the "Submit a Question" feature on the USAC website. USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to us by fax, fax your appeal to (973) 599-6542.

To submit your appeal to us on paper, send your appeal to:

Letter of Appeal  
Schools and Libraries Program - Correspondence Unit  
30 Lanidex Plaza West  
PO Box 685  
Parsippany, NJ 07054-0685

For more information on submitting an appeal to USAC, see "Appeals" in the "Schools and Libraries" section of the USAC website.

## FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letters" posted at <http://www.usac.org/sl/tools/samples.aspx> for more information on each of the fields in the Report. USAC is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or your service provider(s) submits to USAC are consistent with SLP rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Program  
Universal Services Administrative Company

cc: Vickie Tapley  
Knology of Kansas Inc.

Funding Commitment Adjustment Report for  
Form 471 Application Number: 922269

Funding Request Number:	2516598
Services Ordered:	INTERNET ACCESS
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	NA
Site Identifier:	137570
Original Funding Commitment:	\$18,144.00
Commitment Adjustment Amount:	\$18,144.00
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$18,144.00
Funds to be Recovered from Applicant:	\$18,144.00
Funding Commitment Adjustment Explanation:	

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.



Notification of Commitment Adjustment Letter

Funding Year 2014: July 1, 2014 - June 30, 2015

August 15, 2016

EDDIE HOLT  
LAWRENCE UNIFIED SCHOOL DISTRICT #497  
PO BOX 1426  
LAWRENCE, KS 66044

Re: Form 471 Application Number: 958060  
Funding Year: 2014  
Applicant's Form Identifier: 497-14MAIN  
Billed Entity Number: 137570  
FCC Registration Number: 0011759149  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Service Provider Contact Person: Vickie Tapley

Our routine review of Schools and Libraries Program (SLP) funding commitments has revealed certain applications where funds were committed in violation of SLP rules.

In order to be sure that no funds are used in violation of SLP rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see <https://www.fcc.gov/encyclopedia/red-light-frequently-asked-questions>.

TO APPEAL THIS DECISION:

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRNs) you are appealing. Your letter of appeal must include the
  - Billed Entity Name,
  - Form 471 Application Number,
  - Billed Entity Number, and
  - FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.
4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

We strongly recommend that you use one of the electronic filing options. To submit your appeal to USAC by email, email your appeal to [appeals@sl.universalservice.org](mailto:appeals@sl.universalservice.org) or submit your appeal electronically by using the "Submit a Question" feature on the USAC website. USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to us by fax, fax your appeal to (973) 599-6542.

To submit your appeal to us on paper, send your appeal to:

Letter of Appeal  
Schools and Libraries Program - Correspondence Unit  
30 Lanidex Plaza West  
PO Box 685  
Parsippany, NJ 07054-0685

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## FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letters" posted at <http://www.usac.org/sl/tools/samples.aspx> for more information on each of the fields in the Report. USAC is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or your service provider(s) submits to USAC are consistent with SLP rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Program  
Universal Services Administrative Company

cc: Vickie Tapley  
Knology of Kansas Inc.

Funding Commitment Adjustment Report for  
Form 471 Application Number: 958060

Funding Request Number:	2657171
Services Ordered:	TELCOMM SERVICES
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	1941057, 1966446
Site Identifier:	137570
Original Funding Commitment:	\$17,748.07
Commitment Adjustment Amount:	\$17,748.07
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$0.00
Funds to be Recovered from Applicant:	\$0.00
Funding Commitment Adjustment Explanation:	

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

Funding Request Number:	2657175
Services Ordered:	TELCOMM SERVICES
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	
Site Identifier:	137570
Original Funding Commitment:	\$11,202.97
Commitment Adjustment Amount:	\$11,202.97
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$0.00
Funds to be Recovered from Applicant:	\$0.00
Funding Commitment Adjustment Explanation:	

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.



Notification of Commitment Adjustment Letter

Funding Year 2014: July 1, 2014 - June 30, 2015

August 15, 2016

EDDIE HOLT  
LAWRENCE UNIFIED SCHOOL DISTRICT #497  
PO BOX 1426  
LAWRENCE, KS 66044

Re: Form 471 Application Number:	981465
Funding Year:	2014
Applicant's Form Identifier:	497-FIBER
Billed Entity Number:	137570
FCC Registration Number:	0011759149
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Service Provider Contact Person:	Vickie Tapley

Our routine review of Schools and Libraries Program (SLP) funding commitments has revealed certain applications where funds were committed in violation of SLP rules.

In order to be sure that no funds are used in violation of SLP rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see <https://www.fcc.gov/encyclopedia/red-light-frequently-asked-questions>.

TO APPEAL THIS DECISION:

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRNs) you are appealing. Your letter of appeal must include the
  - Billed Entity Name,
  - Form 471 Application Number,
  - Billed Entity Number, and
  - FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.
4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

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To submit your appeal to us by fax, fax your appeal to (973) 599-6542.

To submit your appeal to us on paper, send your appeal to:

Letter of Appeal  
Schools and Libraries Program - Correspondence Unit  
30 Lanidex Plaza West  
PO Box 685  
Parsippany, NJ 07054-0685

For more information on submitting an appeal to USAC, see "Appeals" in the "Schools and Libraries" section of the USAC website.

## FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letters" posted at <http://www.usac.org/sl/tools/samples.aspx> for more information on each of the fields in the Report. USAC is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or your service provider(s) submits to USAC are consistent with SLP rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Program  
Universal Services Administrative Company

cc: Vickie Tapley  
Knology of Kansas Inc.

Funding Commitment Adjustment Report for  
Form 471 Application Number: 981465

Funding Request Number:	2675504
Services Ordered:	INTERNET ACCESS
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	1941057
Site Identifier:	137570
Original Funding Commitment:	\$139,080.00
Commitment Adjustment Amount:	\$139,080.00
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$0.00
Funds to be Recovered from Applicant:	\$0.00
Funding Commitment Adjustment Explanation:	

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

## **Exhibit G**

### **Funding Commitment Decision Letter FY 2015**





Universal Service Administrative Company

Schools and Libraries Division



**FUNDING COMMITMENT DECISION LETTER**  
(Funding Year 2015: 07/01/2015 - 06/30/2016)

August 2, 2016

Jerri Kemble  
LAWRENCE UNIFIED SCHOOL DISTRICT #497  
110 MCDONALD DRIVE  
LAWRENCE, KS 66044

Re: FCC Form 471 Application Number: 1018862  
Billed Entity Number (BEN): 137570  
Billed Entity FCC Registration Number (FCC RN): 0011759149  
Nickname: KSLA471.15

Thank you for your Funding Year 2015 application for Universal Service Support and for any assistance you provided throughout our review. The current status of the funding request(s) in the FCC Form 471 application cited above and featured in the Funding Commitment Report(s) (Report) at the end of this letter is as follows.

- The amount, \$167,704.03 is "Denied."

Please refer to the Report following this letter for specific funding request decisions and explanations. The Universal Service Administrative Company (USAC) is also sending this information to your service provider(s) so preparations can begin for implementing your approved discount(s) after you file FCC Form 486, Receipt of Service Confirmation and Children's Internet Protection Act and Technology Plan Certification Form. A guide that provides a definition for each line of the Report is available in the Guide to USAC Letter Reports in the Reference Area of our website.

**NEXT STEPS**

- Work with your service provider to determine if you will receive discounted bills or if you will request reimbursement from USAC after paying your bills in full.
- Review Children's Internet Protection Act (CIPA) requirements.
- File FCC Form 486.
- Invoice USAC using the FCC Form 474, Service Provider Invoice (SPI) Form, or FCC Form 472, Billed Entity Applicant Reimbursement (BEAR) Form, as products and services are being delivered and billed.

**TO APPEAL THIS DECISION:**

If you wish to appeal a decision in this letter to USAC, your appeal must be received by USAC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the USAC decision letter (e.g., FCDL) and the decision you are appealing:
  - Appellant name,
  - Applicant name and service provider name, if different from appellant,
  - Applicant BEN and Service Provider Identification Number (SPIN),
  - FCC Form 471 Application Number 1018862 and the Funding Request Number (ERN) or Numbers as assigned by USAC,
  - "Funding Commitment Decision Letter for Funding Year 2015," AND
  - The exact text or the decision that you are appealing.

---

Schools and Libraries Division - Correspondence Unit  
30 Lanidex Plaza West, PO Box 685, Parsippany, NJ 07054-0685  
Visit us online at: [www.usac.org/sl](http://www.usac.org/sl)

3. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal, including any correspondence and documentation.
4. If you are the applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are the service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

We strongly recommend that you use one of the electronic filing options. To submit your appeal to USAC by email, email your appeal to [appeals@sl.universalservice.org](mailto:appeals@sl.universalservice.org) or submit your appeal electronically by using the "Submit a Question" feature on the USAC website. USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to USAC by fax, fax your appeal to (973) 599-6542.

To submit your appeal to USAC on paper, send your appeal to:

Letter of Appeal  
Schools and Libraries Division - Correspondence Unit  
30 Lanidex Plaza West  
PO Box 685  
Parsippany, NJ 07054-0685

For more information on submitting an appeal to USAC, please see "Appeals" in the Schools and Libraries section of the USAC website.

#### OBLIGATION TO PAY NON-DISCOUNT PORTION

Applicants are required to pay the non-discount portion of the cost of the products and/or services to their service provider(s). Service providers are required to bill applicants for the non-discount portion. The FCC stated that requiring applicants to pay their share ensures efficiency and accountability in the program. If USAC is being billed via the FCC Form 474, the service provider must bill the applicant at the same time it bills USAC. If USAC is being billed via the FCC Form 472, the applicant pays the service provider in full (the non-discount plus discount portion) and then seeks reimbursement from USAC. If you are using a trade-in as part of your non-discount portion, please refer to Disposal or Trade-in of Equipment posted in the Reference Area of our website for more information.

#### NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Program. Applicants who have received funding commitments continue to be subject to audits and other reviews that USAC and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. USAC may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by USAC, the applicant, or the service provider. USAC, and other appropriate authorities (including but not limited to the FCC), may pursue enforcement actions and other means of recourse to collect improperly disbursed funds.

Schools and Libraries Division  
Universal Service Administrative Company

FUNDING COMMITMENT REPORT  
Billed Entity Name: LAWRENCE UNIFIED SCHOOL DISTRICT #497  
BEN: 137570  
Funding Year: 2015

Comment on RAL corrections:  
FRN modified in accordance with a RAL request.

FCC Form 471 Application Number: 1018862  
Funding Request Number: 2834906  
Funding Status: Not Funded  
Service Type: Voice Services  
FCC Form 470 Application Number: 633210000877682  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number:  
Billing Account Number: 1941057  
Service Start Date: 07/01/2015  
Service End Date: N/A  
Contract Award Date: 03/15/2011  
Contract Expiration Date: 06/30/2016  
Shared Worksheet Number:  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$22,570.80  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00  
Pre-discount Amount: \$22,570.80  
Discount Percentage Approved by the USAC: 40%  
Funding Commitment Decision: \$0.00 - Bidding Violation  
Funding Commitment Decision Explanation: It has been determined that this funding request must be denied. Documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the FRN is denied.

FCDL Date: 08/02/2016  
Wave Number: 059  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2017  
Consultant Name: CAROL UNDERRINER  
Consultant Registration Number (CRN): 16049611  
Consultant Employer: BTU Consultants

FUNDING COMMITMENT REPORT  
Billed Entity Name: LAWRENCE UNIFIED SCHOOL DISTRICT #497  
BEN: 137570  
Funding Year: 2015

Comment on RAL corrections:  
FRN modified in accordance with a RAL request.

FCC Form 471 Application Number: 1018862  
Funding Request Number: 2834971  
Funding Status: Not Funded  
Service Type: Voice Services  
FCC Form 470 Application Number: 633210000877682  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number:  
Billing Account Number: Various  
Service Start Date: 07/01/2015  
Service End Date: N/A  
Contract Award Date: 03/15/2011  
Contract Expiration Date: 06/30/2016  
Shared Worksheet Number:  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$14,956.20  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00  
Pre-discount Amount: \$14,956.20  
Discount Percentage Approved by the USAC: 40%  
Funding Commitment Decision: \$0.00 - Bidding Violation  
Funding Commitment Decision Explanation: It has been determined that this funding request must be denied. Documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the FRN is denied.

FCDL Date: 08/02/2016  
Wave Number: 059  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2017  
Consultant Name: CAROL UNDERRINER  
Consultant Registration Number (CRN): 16049611  
Consultant Employer: BTU Consultants

FUNDING COMMITMENT REPORT  
Billed Entity Name: LAWRENCE UNIFIED SCHOOL DISTRICT #497  
BEN: 137570  
Funding Year: 2015

Comment on RAL corrections:  
FRN modified in accordance with a RAL request.

FCC Form 471 Application Number: 1018862  
Funding Request Number: 2835015  
Funding Status: Not Funded  
Service Type: Internet Access  
FCC Form 470 Application Number: 574970001319596  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: MTM  
Billing Account Number: 1966446  
Service Start Date: 07/01/2015  
Service End Date: 06/30/2016  
Contract Award Date: N/A  
Contract Expiration Date: N/A  
Shared Worksheet Number:  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$2,688.72  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00  
Pre-discount Amount: \$2,688.72  
Discount Percentage Approved by the USAC: 60%  
Funding Commitment Decision: \$0.00 - Bidding Violation  
Funding Commitment Decision Explanation: It has been determined that this funding request must be denied. Documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the FRN is denied.

FCDL Date: 08/02/2016  
Wave Number: 059  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2017  
Consultant Name: CAROL UNDERRINER  
Consultant Registration Number (CRN): 16049611  
Consultant Employer: BTU Consultants

FUNDING COMMITMENT REPORT

Billed Entity Name: LAWRENCE UNIFIED SCHOOL DISTRICT #497  
BEN: 137570  
Funding Year: 2015

Comment on RAL corrections:  
FRN modified in accordance with a RAL request.

FCC Form 471 Application Number: 1018862  
Funding Request Number: 2835044  
Funding Status: Not Funded  
Service Type: Telecommunications Service  
FCC Form 470 Application Number: 633210000877682  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number:  
Billing Account Number: 1941057  
Service Start Date: 07/01/2015  
Service End Date: N/A  
Contract Award Date: 03/15/2011  
Contract Expiration Date: 06/30/2016  
Shared Worksheet Number:  
Number of Months Recurring Service Provided in Funding Year: 12  
Annual Pre-discount Amount for Eligible Recurring Charges: \$250,800.00  
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$1,000.00  
Pre-discount Amount: \$251,800.00  
Discount Percentage Approved by the USAC: 60%  
Funding Commitment Decision: \$0.00 - Bidding Violation  
Funding Commitment Decision Explanation: MR1: FRN modified in accordance with a RAL request. <><><><><> MR2: The FRN was modified from a monthly cost of \$20,900.00 per month to \$20,900.00 per month with \$17,000.00 non-recurring to agree with the applicant documentation. <><><><><> DR1: It has been determined that this funding request must be denied. Documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the FRN is denied.

FCDL Date: 08/02/2016  
Wave Number: 059  
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2017  
Consultant Name: CAROL UNDERRINER  
Consultant Registration Number (CRN): 16049611  
Consultant Employer: BTU Consultants

## **Exhibit H**

### **Demand Payment Letters FY 2011-2013**

Jerri Kemble

LAWRENCE UNIFIED SCHOOL DISTRICT #497

110 MCDONALD DRIVE

LAWRENCE, KS 66044





**Demand Payment Letter**

( Funding Year 2011: July 1, 2011 - June 30, 2012 )

October 28, 2016

**EDDIE HOLT**

**LAWRENCE UNIFIED SCHOOL DISTRICT #497**

**PO BOX 1426**

**LAWRENCE, KS 66044**

<b>Re: Form 471 Application Number:</b>	<b>814366</b>
<b>Funding Year:</b>	<b>2011</b>
<b>Applicant's Form Identifier:</b>	<b>USD497-11ANALOG</b>
<b>Billed Entity Number:</b>	<b>137570</b>
<b>FCC Registration Number:</b>	<b>0011759149</b>
<b>SPIN:</b>	<b>143008523</b>
<b>Service Provider Name:</b>	<b>Knology of Kansas Inc.</b>
<b>Service Provider Contact Person:</b>	<b>Vickie Tapley</b>
<b>Payment Due By:</b>	<b>11/27/2016</b>

You were previously sent a Notification of Commitment Adjustment Letter informing you of the need to recover funds for the Funding Request Number(s) (FRNs) listed on the Funding Commitment Adjustment Report (Report) attached to the Notification of Commitment Adjustment Letter. A copy of that Report is attached to this letter.

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Please remit payment for the full "Funds to be Recovered from Applicant" amount shown in the Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. Make your check payable to the Universal Service Administrative Company (USAC).

Use one of the appropriate addresses listed below to send payments to USAC.

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USAC  
PO Box 105056  
Atlanta, GA 30348-5056

**Courier and Overnight Packages:**

USAC  
Lockbox 105056  
1075 Loop Road  
Atlanta, GA 30337  
(404) 209-6377

**ACH payments:**

USAC requests that all ACH payment be sent in CCD+ format to:  
ABA Routing #071000039, Account #5590045653

**Payment is due within 30 days from the date of this letter.**

Complete Program information is posted to the SLP section of the USAC website at [www.usac.org/sl/](http://www.usac.org/sl/). You may also contact the SLP Client Service Bureau by email using the "Submit a Question" link on the SLP website, by fax at 1-888-276-8736 or by phone at 1-888-203-8100. Contacting SLP for questions does not change the deadline for your response to this Letter.

Universal Service Administrative Company  
Schools and Libraries Program

Funding Commitment Adjustment Report  
Form 471 Application Number: 814366

Funding Request Number: 2212982  
Services Ordered: TELCOMM SERVICES  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: C  
Billing Account Number: 2241941  
Site Identifier: 137570  
Original Funding Commitment: \$11,578.31  
Commitment Adjustment Amount: \$11,578.31  
Adjusted Funding Commitment: \$0.00  
Funds Disbursed to Date: \$11,059.79  
Funds to be Recovered from Applicant: \$11,059.79  
Funding Commitment Adjustment Explanation:

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

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Jerri Kemble

LAWRENCE UNIFIED SCHOOL DISTRICT #497

110 MCDONALD DRIVE

LAWRENCE, KS 66044



Demand Payment Letter

( Funding Year 2013: July 1, 2013 - June 30, 2014 )

October 25, 2016

Jerri Kemble

LAWRENCE UNIFIED SCHOOL DISTRICT #497

110 McDonald Drive

LAWRENCE, KS 66044

Re: Form 471 Application Number: 909793  
Funding Year: 2013  
Applicant's Form Identifier: USD497-13  
Billed Entity Number: 137570  
FCC Registration Number: 0011759149  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Service Provider Contact Person: Vickie Tapley  
Payment Due By: 11/24/2016

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Universal Service Administrative Company  
Schools and Libraries Program

**Funding Commitment Adjustment Report**  
**Form 471 Application Number: 909793**

Funding Request Number:	2516104
Services Ordered:	TELCOMM SERVICES
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Contract Number:	C
Billing Account Number:	
Site Identifier:	137570
Original Funding Commitment:	\$11,890.82
Commitment Adjustment Amount:	\$11,890.82
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date:	\$11,489.04
Funds to be Recovered from Applicant:	\$11,489.04
Funding Commitment Adjustment Explanation:	

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

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Funding Request Number: 2516093  
Services Ordered: INTERNET ACCESS  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: C  
Billing Account Number: 1941057  
Site Identifier: 137570  
Original Funding Commitment: \$139,860.00  
Commitment Adjustment Amount: \$139,860.00  
Adjusted Funding Commitment: \$0.00  
Funds Disbursed to Date: \$139,860.00  
Funds to be Recovered from Applicant: \$139,860.00  
Funding Commitment Adjustment Explanation:

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

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Funding Request Number: 2516096  
Services Ordered: TELCOMM SERVICES  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: C  
Billing Account Number: 1941057, 1966446  
Site Identifier: 137570  
Original Funding Commitment: \$18,357.12  
Commitment Adjustment Amount: \$18,357.12  
Adjusted Funding Commitment: \$0.00  
Funds Disbursed to Date: \$18,282.21  
Funds to be Recovered from Applicant: \$18,282.21  
Funding Commitment Adjustment Explanation:

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

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Jerri Kemble

LAWRENCE UNIFIED SCHOOL DISTRICT #497

110 MCDONALD DRIVE

LAWRENCE, KS 66044



Demand Payment Letter

( Funding Year 2013: July 1, 2013 - June 30, 2014 )

October 25, 2016

Jerri Kemble

LAWRENCE UNIFIED SCHOOL DISTRICT #497

110 McDonald Drive  
LAWRENCE, KS 66044

Re: Form 471 Application Number: 922269  
Funding Year: 2013  
Applicant's Form Identifier: USD497-200  
Billed Entity Number: 137570  
FCC Registration Number: 0011759149  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Service Provider Contact Person: Vickie Tapley  
Payment Due By: 11/24/2016

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Atlanta, GA 30337  
(404) 209-6377

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ABA Routing #071000039, Account #5590045653

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Universal Service Administrative Company  
Schools and Libraries Program

Funding Commitment Adjustment Report  
Form 471 Application Number: 922269

Funding Request Number: 2516598  
Services Ordered: INTERNET ACCESS  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: C  
Billing Account Number: NA  
Site Identifier: 137570  
Original Funding Commitment: \$18,144.00  
Commitment Adjustment Amount: \$18,144.00  
Adjusted Funding Commitment: \$0.00  
Funds Disbursed to Date: \$18,144.00  
Funds to be Recovered from Applicant: \$18,144.00  
Funding Commitment Adjustment Explanation:

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

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Jerri Kemble

LAWRENCE UNIFIED SCHOOL DISTRICT #497

110 MCDONALD DRIVE

LAWRENCE, KS 66044



Demand Payment Letter

( Funding Year 2012: July 1, 2012 - June 30, 2013 )

October 25, 2016

Jerri Kemble

LAWRENCE UNIFIED SCHOOL DISTRICT #497

110 McDonald Drive  
Lawrence, KS 66044

Re: Form 471 Application Number:	828451
Funding Year:	2012
Applicant's Form Identifier:	497-12
Billed Entity Number:	137570
FCC Registration Number:	0011759149
SPIN:	143008523
Service Provider Name:	Knology of Kansas Inc.
Service Provider Contact Person:	Vickie Tapley
Payment Due By:	11/24/2016

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Universal Service Administrative Company  
Schools and Libraries Program



Funding Commitment Adjustment Report  
Form 471 Application Number: 828451

Funding Request Number: 2338975  
Services Ordered: INTERNET ACCESS  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: C  
Billing Account Number: 1319995  
Site Identifier: 137570  
Original Funding Commitment: \$135,420.00  
Commitment Adjustment Amount: \$135,420.00  
Adjusted Funding Commitment: \$0.00  
Funds Disbursed to Date: \$135,420.00  
Funds to be Recovered from Applicant: \$135,420.00  
Funding Commitment Adjustment Explanation:

After multiple requests for documentation and application review, it has been determined this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

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Funding Request Number: 2339017  
Services Ordered: TELCOMM SERVICES  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: C  
Billing Account Number: 2241941  
Site Identifier: 137570  
Original Funding Commitment: \$12,016.95  
Commitment Adjustment Amount: \$12,016.95  
Adjusted Funding Commitment: \$0.00  
Funds Disbursed to Date: \$11,255.41  
Funds to be Recovered from Applicant: \$11,255.41  
Funding Commitment Adjustment Explanation:

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Funding Request Number: 2338984  
Services Ordered: TELCOMM SERVICES  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: C  
Billing Account Number: 2241941, 1319995  
Site Identifier: 137570  
Original Funding Commitment: \$18,808.96  
Commitment Adjustment Amount: \$18,808.96  
Adjusted Funding Commitment: \$0.00  
Funds Disbursed to Date: \$17,707.49  
Funds to be Recovered from Applicant: \$17,707.49  
Funding Commitment Adjustment Explanation:

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Jerri Kemble

LAWRENCE UNIFIED SCHOOL DISTRICT #497

110 MCDONALD DRIVE

LAWRENCE, KS 66044



Demand Payment Letter

( Funding Year 2011: July 1, 2011 - June 30, 2012 )

October 25, 2016

Jerri Kemble

LAWRENCE UNIFIED SCHOOL DISTRICT #497

110 McDonald Drive

Lawrence, KS 66044

Re: Form 471 Application Number: 775595  
Funding Year: 2011  
Applicant's Form Identifier: USD497-11a  
Billed Entity Number: 137570  
FCC Registration Number: 0011759149  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Service Provider Contact Person: Vickie Tapley  
Payment Due By: 11/24/2016

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Universal Service Administrative Company  
Schools and Libraries Program

Funding Commitment Adjustment Report  
Form 471 Application Number: 775595

Funding Request Number: 2175780  
Services Ordered: INTERNET ACCESS  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: C  
Billing Account Number: 1319995  
Site Identifier: 137570  
Original Funding Commitment: \$128,760.00  
Commitment Adjustment Amount: \$128,760.00  
Adjusted Funding Commitment: \$0.00  
Funds Disbursed to Date: \$127,375.48  
Funds to be Recovered from Applicant: \$127,375.48  
Funding Commitment Adjustment Explanation:

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

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Funding Request Number: 2175790  
Services Ordered: TELCOMM SERVICES  
SPIN: 143008523  
Service Provider Name: Knology of Kansas Inc.  
Contract Number: C  
Billing Account Number: 2241941  
Site Identifier: 137570  
Original Funding Commitment: \$17,363.81  
Commitment Adjustment Amount: \$17,363.81  
Adjusted Funding Commitment: \$0.00  
Funds Disbursed to Date: \$16,965.68  
Funds to be Recovered from Applicant: \$16,965.68  
Funding Commitment Adjustment Explanation:

After multiple requests for documentation and application review, it has been determined that this funding commitment must be rescinded in full. The documents provided by the applicant indicate that there was not a fair and open competitive bidding process. The documentation provided by the applicant indicates that the applicant was offered and accepted gifts in the form of free residential internet service from the service provider which resulted in a competitive bidding process that was not fair and open. FCC rules prohibit applicants from soliciting or accepting any gift or items of value from a service provider participating in or seeking to participate in the E-rate program. Therefore, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and the service provider.

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CHECK TO ENSURE TIMELY PROCESSING



## **Exhibit I**

### **Administrator's Decisions on Appeal**

Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Dr.  
Lawrence, KS 66044

Billed Entity Number: 137570  
Form 471 Application Number: 775595  
Form 486 Application Number:



Universal Service Administrative Company  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2011-2012**

October 25, 2016

Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Dr.  
Lawrence, KS 66044

Re: Applicant Name:	LAWRENCE UNIFIED SCHOOL DISTRICT #497
Billed Entity Number:	137570
Form 471 Application Number:	775595
Funding Request Number(s):	2175780, 2175790
Your Correspondence Dated:	September 28, 2016

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2011 Notification of Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

<u>Funding Request Number(s):</u>	2175780, 2175790
Decision on Appeal:	<b>Denied</b>
Explanation:	

- USAC denied your funding requests because the documentation provided by you and/or your service provider indicated that there was not a fair and open competitive bidding process free from conflicts of interest. Specifically, the documentation provided by you and/or your service provider indicated that prior to and/or throughout your contractual relationship with the Knology of Kansas Inc. listed on Funding Request Numbers (FRNs) 2175780, 2175790 you were offered and accepted free Internet Access from the service provider. The amendment to the contract was not signed until May 19, 2015 which removed the free internet provision and ceased the free services. This action represents a conflict of interest and results in a violation of a fair and open competitive bidding

process, as required by program rules. In your appeal, you did not demonstrate that USAC's determination was incorrect. Consequently, your appeal is denied.

- An eligible school, library, or consortium that includes an eligible school or library shall seek competitive bids for all services eligible for support under the program. *See* 47 C.F.R. sec.54.503(b). All entities participating in the schools and libraries universal service support program must conduct a fair and open competitive bidding process. *See* 47 C.F.R. sec.54.503(a). An eligible school, library, or consortium may not directly or indirectly solicit or accept any gift, gratuity, favor, entertainment, loan, or any other thing of value from a service provider participating in or seeking to participate in the schools and libraries universal service program. No such service provider shall offer or provide any such gift, gratuity, favor, entertainment, loan, or other thing of value. Modest refreshments not offered as part of a meal, items with little intrinsic value intended solely for presentation, and items worth \$20 or less, including meals, may be offered or provided, and accepted by any individuals or entities subject to this rule, if the value of these items received by any individual does not exceed \$50 from any one service provider per funding year. *See* 47 C.F.R. 54.503(d)(1). The terms "school, library, or consortium" include all individuals who are on the governing boards of such entities (such as members of a school committee), and all employees, officers, representatives, agents, consultants or independent contractors of such entities involved on behalf of such school, library, or consortium with the E-rate Program, including individuals who prepare, approve, sign or submit E-rate applications, technology plans, or other forms related to the E-rate Program, or who prepare bids, communicate or work with E-rate service providers, E-rate consultants, or with USAC, as well as any staff of such entities responsible for monitoring compliance with the E-rate Program. The term "service provider" includes all individuals who are on the governing boards of such an entity (such as members of the board of directors), and all employees, officers, representatives, agents, or independent contractors of such entities. *See* 47 C.F.R. sec. 54.503(d)(2)(i) and (ii).

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company

~~not demonstrate~~  
~~negotiate~~

cc: Eddie Holt

~~not demonstrate~~  
~~negotiate~~

Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Dr.  
Lawrence, KS 66044

Billed Entity Number: 137570  
Form 471 Application Number: 828451  
Form 486 Application Number:



**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2012-2013**

October 25, 2016

Eddie Holt  
Lawrence Unified School District #497  
PO Box 1426  
Lawrence, KS 66044

Re: Applicant Name: LAWRENCE UNIFIED SCHOOL  
DISTRICT #497  
Billed Entity Number: 137570  
Form 471 Application Number: 828451  
Funding Request Number(s): 2338975, 2338984, 2339017  
Your Correspondence Dated: September 28, 2016

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2012 Notification of Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2338975, 2338984, 2339017  
Decision on Appeal: **Denied**  
Explanation:

- USAC denied your funding requests because the documentation provided by you and/or your service provider indicated that there was not a fair and open competitive bidding process free from conflicts of interest. Specifically, the documentation provided by you and/or your service provider indicated that prior to and/or throughout your contractual relationship with the Knology of Kansas Inc. listed on Funding Request Numbers (FRNs) 2338975, 2338984, 2339017 you were offered and accepted free Internet Access from the service provider. The amendment to the contract was not signed until May 19, 2015 which removed the free internet provision and ceased the free services. This action represents a conflict of interest and results in a violation of a fair and open competitive bidding

process, as required by program rules. In your appeal, you did not demonstrate that USAC's determination was incorrect. Consequently, your appeal is denied.

- An eligible school, library, or consortium that includes an eligible school or library shall seek competitive bids for all services eligible for support under the program. *See* 47 C.F.R. sec. 54.503(b). All entities participating in the schools and libraries universal service support program must conduct a fair and open competitive bidding process. *See* 47 C.F.R. sec. 54.503(a). An eligible school, library, or consortium may not directly or indirectly solicit or accept any gift, gratuity, favor, entertainment, loan, or any other thing of value from a service provider participating in or seeking to participate in the schools and libraries universal service program. No such service provider shall offer or provide any such gift, gratuity, favor, entertainment, loan, or other thing of value. Modest refreshments not offered as part of a meal, items with little intrinsic value intended solely for presentation, and items worth \$20 or less, including meals, may be offered or provided, and accepted by any individuals or entities subject to this rule, if the value of these items received by any individual does not exceed \$50 from any one service provider per funding year. *See* 47 C.F.R. 54.503(d)(1). The terms "school, library, or consortium" include all individuals who are on the governing boards of such entities (such as members of a school committee), and all employees, officers, representatives, agents, consultants or independent contractors of such entities involved on behalf of such school, library, or consortium with the E-rate Program, including individuals who prepare, approve, sign or submit E-rate applications, technology plans, or other forms related to the E-rate Program, or who prepare bids, communicate or work with E-rate service providers, E-rate consultants, or with USAC, as well as any staff of such entities responsible for monitoring compliance with the E-rate Program. The term "service provider" includes all individuals who are on the governing boards of such an entity (such as members of the board of directors), and all employees, officers, representatives, agents, or independent contractors of such entities. *See* 47 C.F.R. sec. 54.503(d)(2)(i) and (ii).

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company



Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Dr.  
Lawrence, KS 66044

Billed Entity Number: 137570  
Form 471 Application Number: 922269  
Form 486 Application Number:



**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2013-2014**

October 25, 2016

Eddie Holt  
Lawrence Unified School District #497  
PO Box 1426  
Lawrence, KS 66044

Re: Applicant Name: LAWRENCE UNIFIED SCHOOL  
DISTRICT #497  
Billed Entity Number: 137570  
Form 471 Application Number: 922269  
Funding Request Number(s): 2516598  
Your Correspondence Dated: September 28, 2016

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2013 Notification of Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2516598  
Decision on Appeal: **Denied**  
Explanation:

- USAC denied your funding requests because the documentation provided by you and/or your service provider indicated that there was not a fair and open competitive bidding process free from conflicts of interest. Specifically, the documentation provided by you and/or your service provider indicated that prior to and/or throughout your contractual relationship with the Knology of Kansas Inc. listed on Funding Request Number (FRN) 2516598 you were offered and accepted free Internet Access from the service provider. The amendment to the contract was not signed until May 19, 2015 which removed the free internet provision and ceased the free services. This action represents a conflict of interest and results in a violation of a fair and open competitive bidding process, as

required by program rules. In your appeal, you did not demonstrate that USAC's required by program rules determination was incorrect. Consequently, your appeal is denied.

- An eligible school, library, or consortium that includes an eligible school or library shall seek competitive bids for all services eligible for support under the program. *See* 47 C.F.R. sec.54.503(b). All entities participating in the schools and libraries universal service support program must conduct a fair and open competitive bidding process. *See* 47 C.F.R. sec. 54.503(a). An eligible school, library, or consortium may not directly or indirectly solicit or accept any gift, gratuity, favor, entertainment, loan, or any other thing of value from a service provider participating in or seeking to participate in the schools and libraries universal service program. No such service provider shall offer or provide any such gift, gratuity, favor, entertainment, loan, or other thing of value. Modest refreshments not offered as part of a meal, items with little intrinsic value intended solely for presentation, and items worth \$20 or less, including meals, may be offered or provided, and accepted by any individuals or entities subject to this rule, if the value of these items received by any individual does not exceed \$50 from any one service provider per funding year. *See* 47 C.F.R. 54.503(d)(1). The terms "school, library, or consortium" include all individuals who are on the governing boards of such entities (such as members of a school committee), and all employees, officers, representatives, agents, consultants or independent contractors of such entities involved on behalf of such school, library, or consortium with the E-rate Program, including individuals who prepare, approve, sign or submit E-rate applications, technology plans, or other forms related to the E-rate Program, or who prepare bids, communicate or work with E-rate service providers, E-rate consultants, or with USAC, as well as any staff of such entities responsible for monitoring compliance with the E-rate Program. The term "service provider" includes all individuals who are on the governing boards of such an entity (such as members of the board of directors), and all employees, officers, representatives, agents, or independent contractors of such entities. *See* 47 C.F.R. sec. 54.503(d)(2)(i) and (ii).

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company

Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Dr  
Lawrence, KS 66044

Billed Entity Number: 137570  
Form 471 Application Number: 909793  
Form 486 Application Number:



Universal Service Administrative Company  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2013-2014**

October 25, 2016

Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Dr  
Lawrence, KS 66044

Re: Applicant Name: LAWRENCE UNIFIED SCHOOL  
DISTRICT #497  
Billed Entity Number: 137570  
Form 471 Application Number: 909793  
Funding Request Number(s): 2516093, 2516096, 2516104  
Your Correspondence Dated: September 28, 2016

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2013 Notification of Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2516093, 2516096, 2516104  
Decision on Appeal: **Denied**  
Explanation:

- USAC denied your funding requests because the documentation provided by you and/or your service provider indicated that there was not a fair and open competitive bidding process free from conflicts of interest. Specifically, the documentation provided by you and/or your service provider indicated that prior to and/or throughout your contractual relationship with the Knology of Kansas Inc. listed on Funding Request Numbers (FRNs) 2516093, 2516096, 2516104 you were offered and accepted free Internet Access from the service provider. The amendment to the contract was not signed until May 19, 2015 which removed the free internet provision and ceased the free services. This action represents a conflict of interest and results in a violation of a fair and open competitive bidding

process, as required by program rules. In your appeal, you did not demonstrate that USAC's determination was incorrect. Consequently, your appeal is denied.

- An eligible school, library, or consortium that includes an eligible school or library shall seek competitive bids for all services eligible for support under the program. *See* 47 C.F.R. sec. 54.503(b). All entities participating in the schools and libraries universal service support program must conduct a fair and open competitive bidding process. *See* 47 C.F.R. sec. 54.503(a). An eligible school, library, or consortium may not directly or indirectly solicit or accept any gift, gratuity, favor, entertainment, loan, or any other thing of value from a service provider participating in or seeking to participate in the schools and libraries universal service program. No such service provider shall offer or provide any such gift, gratuity, favor, entertainment, loan, or other thing of value. Modest refreshments not offered as part of a meal, items with little intrinsic value intended solely for presentation, and items worth \$20 or less, including meals, may be offered or provided, and accepted by any individuals or entities subject to this rule, if the value of these items received by any individual does not exceed \$50 from any one service provider per funding year. *See* 47 C.F.R. 54.503(d)(1). The terms "school, library, or consortium" include all individuals who are on the governing boards of such entities (such as members of a school committee), and all employees, officers, representatives, agents, consultants or independent contractors of such entities involved on behalf of such school, library, or consortium with the E-rate Program, including individuals who prepare, approve, sign or submit E-rate applications, technology plans, or other forms related to the E-rate Program, or who prepare bids, communicate or work with E-rate service providers, E-rate consultants, or with USAC, as well as any staff of such entities responsible for monitoring compliance with the E-rate Program. The term "service provider" includes all individuals who are on the governing boards of such an entity (such as members of the board of directors), and all employees, officers, representatives, agents, or independent contractors of such entities. *See* 47 C.F.R. sec. 54.503(d)(2)(i) and (ii).

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company

cc: Eddie Holt [REDACTED]

[REDACTED]

Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Dr.  
Lawrence, KS 66044

Billed Entity Number: 137570  
Form 471 Application Number: 981465  
Form 486 Application Number:





**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2014-2015**

October 25, 2016

Eddie Holt  
Lawrence Unified School District #497  
PO Box 1426  
Lawrence, KS 66044

Re: Applicant Name: LAWRENCE UNIFIED SCHOOL  
DISTRICT #497  
Billed Entity Number: 137570  
Form 471 Application Number: 981465  
Funding Request Number(s): 2675504  
Your Correspondence Dated: September 28, 2016

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2014 Notification of Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2675504  
Decision on Appeal: **Denied**  
Explanation:

- USAC denied your funding requests because the documentation provided by you and/or your service provider indicated that there was not a fair and open competitive bidding process free from conflicts of interest. Specifically, the documentation provided by you and/or your service provider indicated that prior to and/or throughout your contractual relationship with the Knology of Kansas Inc. listed on Funding Request Number (FRN) 2675504 you were offered and accepted free Internet Access from the service provider. The amendment to the contract was not signed until May 19, 2015 which removed the free internet provision and ceased the free services. This action represents a conflict of interest and results in a violation of a fair and open competitive bidding process, as

required by program rules. In your appeal, you did not demonstrate that USAC's determination was incorrect. Consequently, your appeal is denied.

- An eligible school, library, or consortium that includes an eligible school or library shall seek competitive bids for all services eligible for support under the program. *See* 47 C.F.R. sec.54.503(b). All entities participating in the schools and libraries universal service support program must conduct a fair and open competitive bidding process. *See* 47 C.F.R. sec. 54.503(a). An eligible school, library, or consortium may not directly or indirectly solicit or accept any gift, gratuity, favor, entertainment, loan, or any other thing of value from a service provider participating in or seeking to participate in the schools and libraries universal service program. No such service provider shall offer or provide any such gift, gratuity, favor, entertainment, loan, or other thing of value. Modest refreshments not offered as part of a meal, items with little intrinsic value intended solely for presentation, and items worth \$20 or less, including meals, may be offered or provided, and accepted by any individuals or entities subject to this rule, if the value of these items received by any individual does not exceed \$50 from any one service provider per funding year. *See* 47 C.F.R. 54.503(d)(1). The terms "school, library, or consortium" include all individuals who are on the governing boards of such entities (such as members of a school committee), and all employees, officers, representatives, agents, consultants or independent contractors of such entities involved on behalf of such school, library, or consortium with the E-rate Program, including individuals who prepare, approve, sign or submit E-rate applications, technology plans, or other forms related to the E-rate Program, or who prepare bids, communicate or work with E-rate service providers, E-rate consultants, or with USAC, as well as any staff of such entities responsible for monitoring compliance with the E-rate Program. The term "service provider" includes all individuals who are on the governing boards of such an entity (such as members of the board of directors), and all employees, officers, representatives, agents, or independent contractors of such entities. *See* 47 C.F.R. sec. 54.503(d)(2)(i) and (ii).

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company

Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Dr.  
Lawrence, KS 66044

Billed Entity Number: 137570  
Form 471 Application Number: 814366  
Form 486 Application Number:



Universal Service Administrative Company  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2011-2012**

October 26, 2016

Eddie Holt  
Lawrence Unified School District #497  
PO Box 1426  
Lawrence, KS 66044

Re: Applicant Name: LAWRENCE UNIFIED SCHOOL  
DISTRICT #497  
Billed Entity Number: 137570  
Form 471 Application Number: 814366  
Funding Request Number(s): 2212982  
Your Correspondence Dated: September 28, 2016

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2011 Notification of Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2212982  
Decision on Appeal: **Denied**  
Explanation:

- USAC denied your funding requests because the documentation provided by you and/or your service provider indicated that there was not a fair and open competitive bidding process free from conflicts of interest. Specifically, the documentation provided by you and/or your service provider indicated that prior to and/or throughout your contractual relationship with the Knology of Kansas Inc. listed on Funding Request Number (FRN) 2212982 you were offered and accepted free Internet Access from the service provider. The amendment to the contract was not signed until May 19, 2015 which removed the free internet provision and ceased the free services. This action represents a conflict of interest and results in a violation of a fair and open competitive bidding process, as

required by program rules. In your appeal, you did not demonstrate that USAC's determination was incorrect. Consequently, your appeal is denied.

- An eligible school, library, or consortium that includes an eligible school or library shall seek competitive bids for all services eligible for support under the program. *See* 47 C.F.R. sec.54.503(b). All entities participating in the schools and libraries universal service support program must conduct a fair and open competitive bidding process. *See* 47 C.F.R. sec.54.503(a). An eligible school, library, or consortium may not directly or indirectly solicit or accept any gift, gratuity, favor, entertainment, loan, or any other thing of value from a service provider participating in or seeking to participate in the schools and libraries universal service program. No such service provider shall offer or provide any such gift, gratuity, favor, entertainment, loan, or other thing of value. Modest refreshments not offered as part of a meal, items with little intrinsic value intended solely for presentation, and items worth \$20 or less, including meals, may be offered or provided, and accepted by any individuals or entities subject to this rule, if the value of these items received by any individual does not exceed \$50 from any one service provider per funding year. *See* 47 C.F.R. 54.503(d)(1). The terms "school, library, or consortium" include all individuals who are on the governing boards of such entities (such as members of a school committee), and all employees, officers, representatives, agents, consultants or independent contractors of such entities involved on behalf of such school, library, or consortium with the E-rate Program, including individuals who prepare, approve, sign or submit E-rate applications, technology plans, or other forms related to the E-rate Program, or who prepare bids, communicate or work with E-rate service providers, E-rate consultants, or with USAC, as well as any staff of such entities responsible for monitoring compliance with the E-rate Program. The term "service provider" includes all individuals who are on the governing boards of such an entity (such as members of the board of directors), and all employees, officers, representatives, agents, or independent contractors of such entities. *See* 47 C.F.R. sec. 54.503(d)(2)(i) and (ii).

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company

Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Drive  
Lawrence, KS 66044

Billed Entity Number: 137570  
Form 471 Application Number: 958060  
Form 486 Application Number:



**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2014-2015**

October 19, 2016

Eddie Holt  
Lawrence Unified School District #497  
PO Box 1426  
Lawrence, KS 66044

Re: Applicant Name: LAWRENCE UNIFIED SCHOOL  
DISTRICT #497  
Billed Entity Number: 137570  
Form 471 Application Number: 958060  
Funding Request Number(s): 2657171, 2657175  
Your Correspondence Dated: September 28, 2016

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2014 Notification of Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2657171, 2657175  
Decision on Appeal: **Denied**  
Explanation:

- USAC denied your funding requests because the documentation provided by you and/or your service provider indicated that there was not a fair and open competitive bidding process free from conflicts of interest. Specifically, the documentation provided by you and/or your service provider indicated that prior to and/or throughout your contractual relationship with the Knology of Kansas Inc. listed on Funding Request Numbers (FRNs) 2657171, 2657175 you were offered and accepted free Internet Access from the service provider. The amendment to the contract was not signed until May 19, 2015 which removed the free internet provision and ceased the free services. This action represents a conflict of interest and results in a violation of a fair and open competitive bidding

process, as required by program rules. In your appeal, you did not demonstrate that USAC's determination was incorrect. Consequently, your appeal is denied.

- An eligible school, library, or consortium that includes an eligible school or library shall seek competitive bids for all services eligible for support under the program. *See* 47 C.F.R. sec. 54.503(b). All entities participating in the schools and libraries universal service support program must conduct a fair and open competitive bidding process. *See* 47 C.F.R. sec. 54.503(a). An eligible school, library, or consortium may not directly or indirectly solicit or accept any gift, gratuity, favor, entertainment, loan, or any other thing of value from a service provider participating in or seeking to participate in the schools and libraries universal service program. No such service provider shall offer or provide any such gift, gratuity, favor, entertainment, loan, or other thing of value. Modest refreshments not offered as part of a meal, items with little intrinsic value intended solely for presentation, and items worth \$20 or less, including meals, may be offered or provided, and accepted by any individuals or entities subject to this rule, if the value of these items received by any individual does not exceed \$50 from any one service provider per funding year. *See* 47 C.F.R. 54.503(d)(1). The terms "school, library, or consortium" include all individuals who are on the governing boards of such entities (such as members of a school committee), and all employees, officers, representatives, agents, consultants or independent contractors of such entities involved on behalf of such school, library, or consortium with the E-rate Program, including individuals who prepare, approve, sign or submit E-rate applications, technology plans, or other forms related to the E-rate Program, or who prepare bids, communicate or work with E-rate service providers, E-rate consultants, or with USAC, as well as any staff of such entities responsible for monitoring compliance with the E-rate Program. The term "service provider" includes all individuals who are on the governing boards of such an entity (such as members of the board of directors), and all employees, officers, representatives, agents, or independent contractors of such entities. *See* 47 C.F.R. sec. 54.503(d)(2)(i) and (ii).

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company



Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Drive  
Lawrence, KS 66044

Billed Entity Number: 137570  
Form 471 Application Number: 1018862  
Form 486 Application Number:



**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2015-2016**

October 18, 2016

Jerri Kemble  
Lawrence Unified School District #497  
110 McDonald Drive  
Lawrence, KS 66044

Re: Applicant Name: LAWRENCE UNIFIED SCHOOL  
DISTRICT #497  
Billed Entity Number: 137570  
Form 471 Application Number: 1018862  
Funding Request Number(s): 2834906, 2834971, 2835015, 2835044  
Your Correspondence Dated: September 28, 2016

After review of the information and documentation provided, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's funding commitment decision for the FCC Form 471 Application Number and funding requests number(s) (FRN(s)) referenced above. This letter provides an explanation for USAC's decision. The date of this letter also begins the sixty (60) day time period for appealing this decision. If your Letter of Appeal included more than one FCC Form 471 Application Number, please note that you will receive a separate decision for each funding application.

Funding Request Number(s): 2834906, 2834971, 2835015, 2835044  
Decision on Appeal: **Denied**  
Explanation:

- USAC denied your funding requestss because the documentation provided by you and/or your service provider indicated that there was not a fair and open competitive bidding process free from conflicts of interest. Specifically, the documentation provided by you and/or your service provider indicated that prior to and/or throughout your contractual relationship with the Knology of Kansas Inc. listed on Funding Request Number (FRN) 2834906, 2834971, 2835015, 2835044 you were offered and accepted free Internet Access from the service provider. The amendment to the contract was not signed until May 19, 2015 which removed the free internet provision and ceased the free services. This action represents a conflict of interest and results in a violation of a fair and open competitive bidding process, as required by program rules. In your appeal, you

did not demonstrate that USAC's determination was incorrect. Consequently, your appeal is denied.

- An eligible school, library, or consortium that includes an eligible school or library shall seek competitive bids for all services eligible for support under the program. *See* 47 C.F.R. sec.54.503(b). All entities participating in the schools and libraries universal service support program must conduct a fair and open competitive bidding process. *See* 47 C.F.R. sec. 54.503(a). An eligible school, library, or consortium may not directly or indirectly solicit or accept any gift, gratuity, favor, entertainment, loan, or any other thing of value from a service provider participating in or seeking to participate in the schools and libraries universal service program. No such service provider shall offer or provide any such gift, gratuity, favor, entertainment, loan, or other thing of value. Modest refreshments not offered as part of a meal, items with little intrinsic value intended solely for presentation, and items worth \$20 or less, including meals, may be offered or provided, and accepted by any individuals or entities subject to this rule, if the value of these items received by any individual does not exceed \$50 from any one service provider per funding year. *See* 47 C.F.R. sec. 54.503(d)(1). The terms "school, library, or consortium" include all individuals who are on the governing boards of such entities (such as members of a school committee), and all employees, officers, representatives, agents, consultants or independent contractors of such entities involved on behalf of such school, library, or consortium with the E-rate Program, including individuals who prepare, approve, sign or submit E-rate applications or other forms related to the E-rate Program, or who prepare bids, communicate or work with E-rate service providers, E-rate consultants, or with USAC, as well as any staff of such entities responsible for monitoring compliance with the E-rate Program. The term "service provider" includes all individuals who are on the governing boards of such an entity (such as members of the board of directors), and all employees, officers, representatives, agents, or independent contractors of such entities. *See* 47 C.F.R. sec. 54.503(d)(2)(i) and (ii).

If you wish to appeal this decision, you may file an appeal pursuant to 47 C.F.R. Part 54, Subpart I. Detailed instructions for filing appeals are available at:  
<http://www.usac.org/sl/about/program-integrity/appeals.aspx>.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division  
Universal Service Administrative Company

cc: Eddie Holt

**Exhibit J**

**Knology of Kansas, Inc.'s Appeal to USAC**


## ATTACHMENT B

### Information Supporting the Appeal

#### Introduction:

Knology of Kansas, Inc. (“Knology”), formerly Sunflower Broadband, is wholly owned and operated by WideOpenWest Finance, LLC d/b/a WOW! Internet, Cable and Phone, which has been providing telecommunications services to customers in Kansas since 2001 when the Company was named Sunflower. Sunflower became Knology of Kansas, Inc. in 2010 and began operating under the d/b/a WOW! Internet, Cable and Phone following WOW’s purchase of Knology in 2012. Knology has been participating in the E-rate program since 2010 and makes every effort to comply with all E-rate rules and regulations. Knology has provided ongoing staff training to staff members responsible for overseeing E-rate program participation, and has also utilized consultants to advise Knology on complicated rules and regulations. Staff members participate in over sixty (60) webinars and training sessions each year. Many of these sessions are provided by USAC.

#### Knology Did Not Seek to Influence, Nor Did it Influence, the Bidding Process:

Residential services for school board members were in place in the business relationship between the School District and Knology going back to the year 1990, twenty years prior to the 2011-2013 competitive bidding processes. Therefore, there is no basis to conclude that such a long term arrangement was introduced as an inducement tied to a competitive bid or was otherwise intended to influence bid evaluation decisions, particularly since the E-rate program did not yet exist. Importantly, Knology was, in fact, the only bidder in response to Lawrence’s posted Forms 470 for the 2011 through 2012 funding years, according to the school district, and was the lowest priced bidder by a large margin for the fiscal year 2012-2013. Therefore the residential services in question did not and could not influence the district’s bid evaluation process. Moreover, the services in question were included as part of a very large contract, the pricing for which recovered all costs of providing the various services associated with the contract, including the cost of the residential internet service accounts labeled as “free.” 

#### Residential Services for Board Members Predate the E-rate Program:

As mentioned, the residential services for school board members had been a part of the overall service provided to the Lawrence School District since 1990, pre-dating the existence of the E-rate program. KNOLOGY included these services as a part of its standard business pricing practice as further discussed below. The residential internet accounts were provided and intended solely to allow school board members to carry out the necessary functions of their jobs for the school district while at their residences. Over the years, the number of residential accounts and the board members electing to utilize those accounts varied, but the principle and purpose behind those accounts remained constant.

*Knology Adhered to its Obligation to Apply Consistent Pricing to Similarly Situated Customers:*

Provision of complimentary services are and were a normal pricing and promotion strategy of Knology for commercial customers who meet or met certain volume or term commitments, and the values for the services provided to the Lawrence School District were comparatively equivalent to those given to other commercial customers. The price of the residential internet accounts was recovered through the contractual price for services provisioned to the district.

As a common carrier, it is unlawful for KNOLOGY:

“to make any unjust or unreasonable discrimination in charges, practices, classifications, regulations, facilities, or services for or in connection with like communication service, directly or indirectly, by any means or device, or to make or give any undue or unreasonable preference or advantage to any particular person, class of persons, or locality, or to subject any particular person, class of persons, or locality to any undue or unreasonable prejudice or disadvantage.”<sup>1</sup>

Further, as a participant in the E-rate program, KNOLOGY has committed to complying with Lowest Corresponding Price rules which dictate that E-rate customers receive the lowest price available for similar commercial services. FCC’s rules require that:

“(p)roviders of eligible services shall not submit bids for or charge schools, school districts, libraries, library consortia, or consortia including any of these entities a price above the lowest corresponding price for supported services.... Promotional rates offered by a service provider for a period of more than 90 days must be included among the comparable rates upon which the lowest corresponding price is determined.”<sup>2</sup>

Had KNOLOGY not mirrored its volume and term commitment pricing strategies as well as the promotional pricing practices employed for other commercial customers, the company would have certainly violated E-rate Lowest Corresponding Price Rules as well as its own local tariff. The Knology local telecom tariff provides for consideration of Individual Case Basis (ICB) arrangements on a non-discriminatory basis. It states:

## **2.8 INDIVIDUAL CASE BASIS (ICB) ARRANGEMENTS**

### **2.8.1 General**

**Arrangements will be developed on a case-by-case basis in response to bonafide requests from a Customer or Applicant to develop a competitive bid for a service offered under this Tariff. Rates quoted in response to such competitive requests may be different than those specified for the services in this Tariff. ICB rates will be offered to the Customer or**

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<sup>1</sup> Communications Act of 1934, Pub. L. No. 73-416 § 202 Discrimination and Preferences.

<sup>2</sup> 47 U.S.C. §54.511(b)

**Applicant in writing and on a non-discriminatory basis. ICB rates and/or contracts will be filed with the Commission.**

*The School District Had Sole Responsibility for any Required Cost Allocation in its Forms 471-472:*

Because the Lawrence School District was responsible for submitting the Form 471 and Form 472s, KNOLOGY was not involved in the preparation of the funding or invoice request amounts, and through the submission of these forms, the district was responsible for reducing any funding/invoicing requests by the amount of any complimentary services. USAC's Free Services Advisory informs E-rate program applicants that the value of all price reductions, promotional offers, and "free" products or services must be deducted from the pre-discount cost of services indicated in funding requests.<sup>3</sup> The Advisory further exemplifies in Example 3 below, a prohibited pricing practice, specifying in the final point that a donation of products or services do not violate program rules unless they are provided as a sales inducement or the value of the free service is not subtracted from the pre-discount cost in the funding request:

Example 3: A service provider commits to providing additional free or discounted products or services as a sales inducement.

- Assume that a service provider's successful bid includes an offer to provide five "free" cell phones, worth \$700. Program rules are violated if the funding request does not reduce the pre-discount cost by the fair market value of the five computers, or alternatively cost-allocate the eligible and ineligible components.
- Applicants must select the most cost-effective solution and may not consider the benefits of ineligible components in the bid evaluation unless: 1) those ineligible components are allocated out of the funding request; 2) the full package is a reasonable business bundling; and 3) the prices of the eligible components are reasonable.
- Some service providers will donate products and services to applicants. Program rules do not prohibit that practice as long as the donation is not provided as a sales inducement or, if the donation is in fact tied to a bid for services, the value of the donated products is subtracted from the pre-discount cost included in the funding request.<sup>4</sup>

**As stated above, KNOLOGY did not provide the residential services as a sales inducement or a method of influencing bid evaluation decisions. Knology had been providing those services to Board Members for over twenty years. USAC's Example 3 makes it clear, therefore, that KNOLOGY's practice did not violate any program rules, and it was the Applicant's responsibility to reduce the pre-discount cost in its Form 471 funding request.**

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<sup>3</sup> Free Services Advisory by USAC (<http://www.usac.org/sl/applicants/step01/free-services-advisory.aspx>).

"Basic Principles" first bullet point. (last accessed September 27, 2016)

<sup>4</sup> *Id.* "Prohibited Practice Examples" Example 3.



*Knology was not the Recipient of any E-rate Funding:*

KNOLOGY was not the applicant for or beneficiary of any E-rate program funding distributed under the affected FRNs. All E-rate funds disbursed through the FRNs addressed herein were promptly and appropriately passed through to the school district. Therefore, if there is a finding that some portion of the funding must be returned, that obligation should fall to the School District and KNOLOGY should not be made to give back funds that they did not retain or benefit from.

*Conclusion:*

Based on the foregoing, KNOLOGY respectfully requests that USAC cease its impending recovery actions. KNOLOGY has complied with its obligations under the E-rate program, did not intend to nor did it improperly influence the School District's decisions, and in the end, was not a beneficiary of any of the E-rate funds.

KNOLOGY is open to providing any additional documentation needed by USAC in association with any of the aforementioned FRNs, and appreciates USAC's consideration of the facts provided herein.